

Commonwealth of Massachusetts
Department of Telecommunications and Energy
Fitchburg Gas and Electric Light Company
Docket No. D.T.E. 02-24/25
Record Request Response

Record Request No.: DTE-RR-06 (Electric)

Please provide a complete set of schedules related to the Electric Division rate petition in the form of the schedules presented by Mr. Collin's prefiled testimony, Schedules MHC-1 through MHC-12.

Supplemental Response October 2, 2002:

In the Attachment 2 to DTE-RR-06 (Electric) are the updated Schedules MHC-1 (Electric) through MHC-12 (Electric). The first page is Schedule ADJ (Electric), which is a summary of all the adjustments since the original filing. Under the heading "Adjustments (additional) 10/2/02", there is one adjustment since the company last filed DTE-RR-06 which was updated on September 24, 2002. This adjustment is explained below.

1. FAS 109 Components of ADIT – MHC-11

As shown on the response to Record Request DTE-RR-43 as filed on September 24, 2002, Total Accumulated Deferred Income Taxes (ADIT) for the Electric Division of FG&E on Schedule MHC-11 (Electric) remained unchanged. However, the ADIT for the generation function increased by \$2,064,122 and there was a corresponding decrease in the non-FAS 109 amounts within the total ADIT for the Electric T&D function.

As a result of the changes to the allocations of the ADIT by function as described above, there is also a corresponding impact on the FAS 109 amounts of ADIT as allocated between the electric (excluding generation) and gas divisions. Because of the change in the non-FAS 109 amounts allocated to the electric T&D function, the allocation of the FAS 109 amounts between the electric and gas divisions is effected. The result is a shift of \$290,784 related to the total FAS 109 amounts from the electric to the gas division. The allocation process of these amounts between gas & electric divisions has been previously described as the 5-step allocation process in response to Data Request DTE 6-8 (Common). Attachment 1 to this DTE-RR-6 Update shows in detail the 5-step calculation of the reallocated amounts. It is identical to the process originally presented and described in response to Data Request DTE 6-8 (Common).

The result of the \$290,784 reallocation is a net decrease to the FAS 109 amounts for the electric division as shown on Schedule MHC-11 (Electric) page 1, lines 19-24. For the gas division, as shown on Schedule MHC-11 (Gas), lines 17-22, there is a net increase to the FAS 109 amounts. See the table below for the detail of the Updated FAS 109 amounts for the electric division.

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ELECTRIC TRANSMISSION & DISTRIBUTION			
DESCRIPTION (SEE MHC-11, PAGE 1)	9/24/2002 FILING	UPDATED AMOUNT	DIFFERENCE
FAS 109 ACCOUNTING FOR INCOME TAX – FEDERAL	(\$1,532,058)	(\$1,445,995)	\$86,063
FAS 109 ACCOUNTING FOR INCOME TAX – STATE	(272,700)	(255,176)	17,524
FAS 109 REGULATORY ASSET – FEDERAL	6,700,676	6,262,124	(438,552)
FAS 109 REGULATORY ASSET – STATE	1,200,427	1,112,755	(87,672)
FAS 109 REGULATORY LIABILITY – FEDERAL	(1,950,134)	(1,840,585)	109,549
FAS 109 REGULATORY LIABILITY – STATE	(347,114)	(324,810)	22,304
TOTAL	\$3,799,097	\$3,508,313	(\$290,784)

This change in ADIT is shown on MHC-11 (Electric) and its impact on the cost of service is presented in Attachment 2 to this DTE-RR-6 Update.

2. Amortization of FAS 109 Net Regulatory Asset - MHC-5

The Company has received authorization to amortize FAS 109 net regulatory asset for the electric division per DTE 99-118. Therefore, there is no change to the cost of service related to the electric division amortization of FAS 109 as the company will continue to amortize FAS 109 for the electric division as authorized in DTE 99-118.

Person Responsible: Mark H. Collin